

Economic Opportunity and Sustainability Subcommittee

Measure J Funding Recommendations

Members of the Economic Opportunity and Sustainability Subcommittee approved one slate of funding recommendations which includes the following preamble and Recommendations 1-8.

Preamble:

American Descendants of Enslaved Africans and Black People have been dehumanized, exploited, murdered, and stripped of their wealth for over 400 years. Supporting Black-owned businesses, Black wealth building, and Black-led social enterprise are essential strategies for racial justice and reparations in Los Angeles County and this country.

COVID-19 has only increased the inequities. Due to systemic racism, Black communities in Los Angeles County and the country have been disproportionately impacted by COVID-19, resulting in significantly higher rates of illness, death, and business closures. The number of Black business owners in the country plummeted from February to April 2020 by 41%.

Measure J clearly states a focus on Black-owned businesses. Its intention is to focus resources in eliminating the hundreds of years of over-policing, disproportionate incarceration, systematic disenfranchisement in housing and employment, sabotage of Black intergenerational wealth building, the locking out of systems of economic opportunity such as workforce development and sustainable careers, and other forms of outright racism.

Measure J, and those who organized for it, want funding to clearly go toward the Black community, especially those in the Reentry community and Black Two Spirit, Trans, Gender Non-Binary, and Queer People who have been in the carceral system and who face additional barriers that put them back into the carceral system. This is the heart of Measure J.

The Members of the Economic Opportunity and Sustainability Subcommittee call on the Board of Supervisors, Chief Executive Office (CEO), Measure J Advisory Committee, County Counsel, Alternatives to Incarceration (ATI) Unit, and the Anti-Racism, Diversity, and Inclusion (ARDI) Unit to do everything within their power to strategize, in partnership with Black community leaders and systems-impacted people, to work within the parameters of Proposition 209 so that Los Angeles County is true to the heart of Measure J.



RECOMMENDATION #1:

At least \$300 Million dedicated to this slate of recommendations for Fiscal Year 2021-2022

While we have not yet heard the official calculation of what 10% of locally-generated unrestricted funds will be for the 2021-2022 fiscal year, we do know that the County Budget Office shared with the Measure J Advisory Committee earlier this year that they thought the amount would be in the range of \$660 million to \$990 million.

10% is just the minimum to be allotted for Measure J funds. The County of Los Angeles' Board of Supervisors can assign more funds to Measure J recommendations.

We expect that LA County will receive federal COVID relief dollars which can address revenue gaps and free up locally-generated dollars for Measure J recommendations.

10% is just the minimum to be allotted for Measure J funds.

RECOMMENDATION #2:

Identify Third Party Administrators or intermediary organizations to fund CBOs (community-based organizations) directly

The Third Party Administrators or intermediary organizations must have:

- Expertise in equity-based workforce and small business development, distributing microgrants, and providing capacity building and technical assistance, including grant writing
- The capacity to do the auditing and reporting required of the County and must limit the reporting requirements of the CBOs (community-based organizations) funded and limit fees to a 15% cap
- A proven commitment to including the leadership of people from the most impacted communities, including a commitment to hire Black, Indigenous, and People of Color consultants to provide capacity building support

Additional requirements include:

• 50% or more of Measure J funding for Economic Opportunity and Sustainability should go to CBOs through Third Party Administrators or intermediary organizations



- Prioritize CBOs with an annual budget of less than \$1.5 million, and larger CBOs led by and in service of the communities most impacted by incarceration and divestment with a proven track record of success, with a focus on scaling programs for reentry populations
- CBOs in Service Planning Areas (SPAs) and zip codes of specific economic disadvantage and disproportionately impacted by LA County's carceral system must be prioritized
- The Third Party Administrators or intermediary organizations must be accountable to an advisory board of systems-impacted community members that help develop the application, advise on the selection of applications and assess the efficacy of Measure J-funded programs (see Recommendation #3)
- Funded organizations will not be directly working with law enforcement inside their organizations; law enforcement, probation, and parole do not have decision-making power inside funded community organizations; community organizations cannot contract with corporations that profit from the policing of our communities

50% of funding should go to CBOs through Third Party Administrators or intermediary organizations

RECOMMENDATION #3:

Eligible County programs can submit proposals for Measure J funds if and only if at least 85% of the funding is distributed directly to CBOs (community-based organizations)

- **a.** Eligible county programs must prioritize funding CBOs that have an annual budget of less than \$1.5 million, and larger CBOs led and in service of the communities most impacted by incarceration and divestment with a proven track record of success
- CBOs in Service Planning Areas (SPAs) and zip codes of specific economic disadvantage and disproportionately impacted by LA County's carceral system must be prioritized
- C. Eligible county programs must standardize and streamline contracting Requests for Proposals (RFPs) across agencies to ease entry for providers



County programs focused on CBO capacity building, like the Incubation Academy, are prioritized for funding so long as they: 1) primarily fund organizations that are led by and of service to the most impacted populations and regions as indicated by the JENI and JESI indexes and 2) uphold a transparent and inclusive application and assessment process

RECOMMENDATION #4:

County identifies, funds, and provides training for a Stakeholder Advisory Board made up of leaders from the communities most impacted by incarceration and economic divestment (like the Reentry Health Advisory Collaborative, RHAC) to be a key decision-maker and advisor in the granting of Measure J funds

- For funds administered by the Third Party Administrators and intermediary
 organizations and County departments, we recommend that the County identify
 a stakeholder body that, along with the Measure J Advisory Committee, advises
 the Board of Supervisors in the final decisions for Measure J funding distribution—
 we prefer this to be individuals who have been engaged in this Year 1 Measure J
 engagement process and/or in the ATI Recommendations process
- We also recommend that the County create an advisory body of people with mental health needs within the Los Angeles County Department of Mental Health

Relevant ATI Foundational Recommendation #86: Create, staff, and fund an Advisory Collaborative of Impacted People to ensure there is continuous feedback and accountability to the prioritized communities and LA County at large in the implementation of the comprehensive roadmap



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RECOMMENDATION #5:

Guidelines for Third Party Administered & County Administered Funds for Measure J

Organizations and programs receiving Measure J funds must:

- Be led by and primarily service the following priority populations that are most severely impacted by incarceration in LA county as identified by the JENI (Justice Equity Need Index)
 - Reentry Community
 - American Descendants of Enslaved Africans, Black, Indigenous, and other disproportionately impacted People of Color, including Mexican-American and Central-American People; Particularly:

Black Women

People with Disabilities (can include family members of people with mental or physical disabilities with consent from the person with the disability)

Young People

Immigrant People & Refugees from Mexico, Central America, South East Asia and other regions disproportionately impacted by violence, displacement, and imperialism

Two Spirit, Trans, Gender Non-Binary, and Queer People

- Share the Measure J and ATI (Alternatives to Incarceration) values and employ formerly incarcerated people
- Be located in areas of highest need according to data such as the JENI and JESI indexes

The following tracking and evaluation practices should be used:

- Outcomes-based reporting to show that the people who needed the help got the help that
 actually worked for them—specifically for those who provide services to people with mental
 health challenges, SMIs (serious mental illnesses) and dual diagnosis
- Surveys and assessments to identify needs and what kinds of careers would be a good fit for individuals



- Accountability and reporting back on this data to the community
- Attacking and addressing the culture of prejudice that promotes anti-Blackness and transphobia (victim blaming); data and research studies around the lived experiences of Women, Trans
 People, and those at multiple intersections of marginalization within the workplace

Relevant ATI Foundational Recommendations:

- #87: Utilize data-driven tools (e.g. Race Forward's Community Benefits
 Agreement and Racial Impact Tool, or Advancement Project's JENI/JESI, etc.)
 to create processes for equitable resource and contract distribution with
 program offices across health and social service departments
- #110: Expand and coordinate data tracking/collection across all relevant County justice and health/social service entities to retrieve data necessary for services, programming, preventative measures, and alternatives to incarceration
- #113: Track and make public all relevant County service and incarceration spending both for those incarcerated and those reentering the community

RECOMMENDATION #6:

Workforce Development: Focus workforce development on reentry & high risk/diversion populations in geographic areas identified by the JENI (Justice Equity Need Index) and the JESI (Justice Equity Supply Index)

Funded programs should include:

- Immediate Support for People Reentering the Community from Incarceration and Domestic Abuse
 - Guaranteed basic income (GBI) that includes voluntary wraparound services around reentry and job placement
 - Rent assistance, utilities payment support, and childcare
 - Mental health stipends, including gas cards and transportation support
 - Holistic health services that go beyond traditional medical health services



Specialized Training to Help with Reentry should provide:

- Supportive resources including technology (laptops/WiFi/cell phone), childcare, rent support, transportation costs, etc.
- Trauma-informed, healing-centered and culturally-rooted approaches & work therapy models, including the arts as a healing methodology
- Support with legal fees and expungements
- 24-hour emergency supportive services
- Continued case management support for varying needs in a career path
- Support finding adult school and vocational training
- Provide work experience internships to individuals to be equipped to obtain long-term employment that gear towards peace building and wellness in their communities

Peer-driven Models

- Employment opportunities for youth and adults to do peace building and wellness work in their communities (such as the work of community health workers and holistic health providers)
- Leadership development
- Focus on living wage opportunities
- Mentorship pipelines

Job Training and Placement Models Towards Living Wage Jobs

- Seeing the process through, not job training only, paid living wages while doing job training
- Stipends/basic income for reentry populations for a minimum of 1 year and ideally for 3
 years

Peer-driven Social Enterprise Expansion & Development Models that Center the Experience of Reentry and Diversion Populations

- Especially those that have healing and wellness as a central practice
- Provide entrepreneurship opportunities and training along with microgrants to start their own businesses
- Multi-stakeholder Collaboration to ensure that the multiple needs of people are met



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Career Priorities:

- Living Wage, "High Road," and Union Jobs Where there is a Demand for More Workers
- Psychology & Mental Health
- Substance Use Counselors
- Health, Geriatric Care
- Construction, Preservations, Jobs that Increase Housing Access
- Hospitality
- IT (Information Technology)
- Green Energy/Green Economy
- Arts
- Entertainment Industry & Creative Industry
- Transportation
- Education
- Housing

Relevant ATI Foundational Recommendations:

- #26: Expand supported employment opportunities for persons with mental health, substance use, or co-occurring disorders, including flexible funds for basic client needs to find employment (e.g. birth certificates, etc.)
- #108: Increase employment and retention of Community Health Workers (CHWs) to expand service capacity, cultural competency, and client/ provider trust
- #104: Provide paid training and employment to increase the number of justice- systems-impacted individuals working as the technologists behind data collection and analysis



RECOMMENDATION #7:

Small Businesses Support: Focus on small businesses and social enterprises in geographic areas most impacted by incarceration and economic divestment, especially those owned by Black and Indigenous People; Immigrant People; and Two Spirit, Trans, Gender Non-Binary, and Queer People

Eligible existing and new businesses must:

- Hire locally from and contract with the impacted communities in which they operate, including local reentry and youth populations
- Have a previous and established relationship with the local community
- Support creative and innovative collaboration with the local community
- Have owners and operators who represent the prioritized populations and geographies
 identified as having the highest impact of incarceration in the JENI/JESI indexes, in particular
 those representing Black, Indigenous, Two Spirit, Trans, Gender Non-Binary, and Queer
 communities and Immigrant communities from Mexico, Central America and other regions
 disproportionately impacted by violence and displacement
- Provide healing and wellness to their community including: food access; child care; green spaces; culturally-relevant arts; education; transportation access; trauma-informed, healingcentered and culturally-rooted non-coercive care and wrap-around services for communities impacted by violence
- Commit to sign a neutrality agreement if their workers seek to organize a union
- Have no more than 30 employees

Priority businesses:

- Are, or are transitioning to, worker cooperatives
- Pay a living wage and provide benefits including health, dental, and vacation days or commit to providing a living wage and benefits to their employees using Measure J funding

Fund the construction of mixed-use community-based hubs which include job training, education, housing, small businesses, local food access, access to safe green spaces, reentry support, the arts and other restorative services and programs that prioritize youth, behavioral health, and provide community with physical infrastructure for peacemaking and other alternatives to incarceration

Support could look like:

- Direct funds and microgrants
 - Including funding for paid internships and paid volunteer programs
- Prioritizing cooperatives and supporting community-owned and community-stewarded projects
- Support to set up the infrastructure of a new business, including:
 - Technical assistance for the small business for compliance, legal aid, insurance, and
 other local, state, and federal mandated requirements; assistance around digitization
 including website creation and improvements, digital marketing, etc.; culturally-relevant
 mentorship throughout the development process of new businesses; peer to peer
 support between running businesses and new businesses in development; developing
 climate resiliency action plans to further support long-term prosperity of these
 businesses
- Support to meet the requirements of government contracts
- Place-based funding that focuses on improving small business corridors throughout the County—this would include beautification, technical assistance, facade and internal improvements, and customer outreach

Recommendations for the County:

- Ensure a transparent communication process so that community members know that these resources are available to small businesses
- Set up a system so that small businesses receiving Measure J funds would get priority for County contracts
- Increase access (including technical and legal assistance) to County-owned empty lots for the outlined opportunities above while not limiting the development of infrastructure on site (example: Urban Agriculture Incentive Zones)—infrastructure limitations limit long-term success and sustainability of these projects



Relevant ATI Foundational Recommendation #92: Utilize County capacity-building programs, in conjunction with equity analysis, to expand the community-based system of care by: (a) finding and supporting smaller organizations in different Service Planning Areas to qualify for and access funds while providing seed funding (i.e. philanthropic partnerships, business loans, flexible government funding, pay for success models, and/or zone area investments, etc.); (b) promoting existing providers as potential incubators; and (c) supporting training and technical assistance to become service providers

RECOMMENDATION #8:

Policy Recommendations

There were some clear policy recommendations that emerged from the Economic Opportunity and Sustainability Subcommittee discussions.

The Economic Opportunity and Sustainability Subcommittee members call on all Subcommittee members, Measure J Advisory Committee members, the CEO's Office, and the Board of Supervisors to advocate for the following policies that are crucial to the economic opportunity and sustainability of Los Angeles' communities most impacted by structural racism and mass incarceration.

A: Reduce Barriers to Small CBOs to Receive County Funding and Ensure Equitable County Contracting

- Make obtaining Measure J funding simple and standardized; let organizations do the work they
 are already doing without onerous requirements (for example, an audit every year)
- Support organizations to meet insurance requirements of the County and/or decrease the level of insurance that the County requires
- Ensure equitable distribution of opportunity and County resources through equitable contracting and procurement
- Change County contracting processes to prioritize community-based organizations that are on the ground and are led by Black people and people impacted by the carceral system
- Eliminate the need to leverage funds to cover administrative costs for smaller organizations with budgets of \$1.5 million or less



- Fund organizations in advance of the service (not cost reimbursement) or at least commit to make reimbursements within 30 days (not several months)
- Create an advisory council to increase transparency of County contracting process
- Any contract with the private sector must require local hiring with living wages, along with services that facilitate the ability to participate in a job
- Ensure living wage jobs within community-based organizations by providing enough funding and including living wage job requirements in funding contracts

Relevant ATI Foundational Recommendation #87: Utilize data-driven tools (e.g., Race Forward's Community Benefits Agreement and Racial Impact Tool, or Advancement Project's JEN/JESI, etc.) to create processes for equitable resource and contract distribution with program offices across health and social service departments

B: Advocate for programs and policy change to reduce discrimination against those who have been criminalized, convicted, and/or incarcerated

- Ban the Box policies
- Reimagine drug test and drug use policies
 - Train employers on SUD (substance use disorder) and harm reduction when it comes to drug use
 - Work at the state level to eliminate barriers for employment related to drug use; ensure that employees have access to drug treatment information when needed
- All contracted agencies who receive Measure J funding must have gender identity policies in place; additionally, organizations and entities funded by Measure J must receive gender identity and cultural transformation training on Trans people provided by experts in the subject (i.e. local Trans leaders and Trans-led organizations of color)
- Reduce the barriers to those with DUIs (driving under the influence)
- Clear convictions so people can access housing, loans, etc.
- Levy fines against businesses for Fair Chance violations and give victims 50% of the fines
- Tax credits to small businesses hiring formerly incarcerated people especially from the Black community



- Move any and all health and social programs out of law enforcement and into community-based programs, for example mental health crisis response
- Change court system policy to prioritize release/diversion services for non-violent crimes

C: Address poverty and generational divestment

- Reparations
- Engagement with Tribal Nations and Black Communities in Community Land Trusts
- Universal basic income
- Participatory Budgeting: Since Measure J was passed by the voters, Los Angeles now has the
 opportunity to include the broader community, especially those most impacted by incarceration,
 in a participatory budgeting process that supports the equitable distribution of Measure J
 funding and lays a framework for our County budget processes to utilize through all funding
 sources that have the potential to be invested in the most highly impacted communities
- The County shall develop a Just Transition Plan to shift funding and resources out of law enforcement and into other union and living wage jobs that support the wellness of our

communities while supporting those employed by the justice system

